



SUB-CONTRACTING, SUPPLY CHAIN FEES AND CHARGES POLICY

Completed on: 29/06/20
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Review date: 29/06/21

Table of Changes

Change Made:	By:	Date:	Version
Logo	R Broadhurst	29/06/20	1.1

Subcontracting and Supply Chain Fees and Charges Policy 2020-2021

This policy provides explanation and clarity for The Training Initiative Group Ltd. and its provision sub-contractors. The Training Initiative Group Ltd. has a range of supply-chain fees and charges with sub-contractors depending on the type and size of contract. These are agreed with the sub-contractor in the negotiation stage of the contract and are subject to due-diligence and a risk assessment. They are also dependent on agreed success rates and volume measures.

1. Scope:

This Subcontracting and Supply Chain Fees and Charges Policy is a mandatory requirement that must be in place prior to participating in any subcontracting activity. The content of this policy has been developed in line with the Education and Skills Funding Agency Funding Rules and the AOC/AELP Common Accord. This policy relates to activity funded through the Education and Skills Funding Agency whereby The Training Initiative Group Ltd. enters into a subcontracting agreement with a supplier for recruitment and delivery. This policy provides transparency for all sub-contractors, funding bodies and other associated parties or individuals regarding the procurement, due diligence process, support and charging rationale related to sub-contracted provision under The Training Initiative Group Ltd. direct contract with the Education and Skills Funding Agency.

The Training Initiative Group Ltd. endeavours to minimise the risk within the supply chain by ensuring that sub-contractors working with The Training Initiative Group Ltd. offer high quality provision that is responsive to communities, learners and employers.

2. Rationale for Subcontracting:

The Training Initiative Group Ltd:

- Recognises the benefits that effective subcontracting can bring to extending the accessibility of provision for students and thereby contribute to the economic prosperity and stability of our neighbouring local communities.
- Uses subcontractors to widen participation amongst student groups that it would otherwise be "hard to reach" and other individuals that face barriers to participation in learning and work.
- Uses subcontractors as appropriate to fill gaps in, and to extend the breadth of its provision: for example, through widening the range of apprenticeship delivery offered to employers and students and broadening the range of sector subject areas or business sectors that can be covered.

3. Selection, Due Diligence & Tendering:

The Training Initiative Group Ltd. will at all times undertake fair and transparent procurement activities, conducting robust due diligence procedures on potential subcontractors to ensure the subcontractor is a legally, financially and educationally sound organisation. To ensure the highest quality of learning delivery is made available, demonstrating value for money and a positive impact on learner lives.

An example documentation required as part of the Due Diligence process will include:

- Statutory accounts and company credit checks
- EQA/Inspection Reports
- Evidence of Awarding Body status, including sanctions
- CVs for delivery staff (including DBS numbers)
- Policies and procedures
- Declarations of business standing of the Directors and any conflicts of interest with The Training Initiative Group Ltd.

Subsequently subcontractors should notify The Training Initiative Group Ltd. of any changes in circumstances or personnel related to the contract immediately. This process will be repeated on an annual basis with a specific focus upon financial and quality related performance updates.

4. Decision Process

Due diligence responses and documentation will form the main decision making process to select a sub-contractor. Decisions will also be determined by the responses to the key questions. The Training Initiative Group Ltd. will be looking for flexibilities that develop and deliver an offer that meets the needs of local people, employers and the wider community.

5. Contracting

Based on approval and through discussion or negotiation, both The Training Initiative Group Ltd. and the subcontractor will agree the contract financial value and learner numbers by funding stream(s). The following core contract components will be agreed:

- Sub-contractor profile
- Sub-contractor duty (and KPIs)
- The Training Initiative Group Ltd. duty
- The Training Initiative Group Ltd. service offer
- The Training Initiative Group Ltd. management and service charges based on due diligence results
- Contract volume and value.

The contract will reflect the in-year Agency Funding Rules and updates. All contracts are legally binding and will need to be signed by all parties prior to the commencement of delivery.

The Training Initiative Group Ltd. will declare to the Agency all subcontractor arrangements. This will normally be twice a year but if volumes or values change a revised submission will be made between these formal submission dates.

During the contracting year if there is any evidence of a subcontractor's irregular financial or delivery activity The Training Initiative Group Ltd. will carry out an investigation and will

report the outcome of the investigation, in writing, to the Funding Agency relationship manager within 10 days of the investigation being complete.

6. Second-level Subcontracting

Second level subcontracting is not permitted under any circumstances. Any subcontractor found to be second level subcontracting risks having their contract terminated.

7. Other Requirements

All subcontractors holding contracts with an overall value of £100,000 must be listed on the Register of Training Organisations and/or Register of Apprenticeship Training Organisations (RoTP) before The Training Initiative Group Ltd. will enter into a subcontract with them.

Should the total value of provision subcontracted by The Training Initiative Group Ltd. be over £100,000 then The Training Initiative Group Ltd. will be responsible for sourcing an external audit to ensure that sufficient processes are in place to suitably manage the subcontracted provision.

8. Support Provided to Subcontractors:

The Training Initiative Group Ltd. will support subcontractors to ensure successful delivery drawing on the internal structures and expertise and a regular schedule of Contract Review Meetings. Specifically this includes:

- Contract Lead to manage the relationship with the subcontractor and take overall responsibility for subcontracting.
- A Head of Quality to assure that the quality of subcontractor's delivery meets its expectations and to support the continuous improvement of the subcontractor's provision.
- Contract and Audit Manager to ensure the timely and accurate recording of student information on The Training Initiative Group Ltd.'s ILR.
- Undertake a regular and substantial programme of quality assurance checks on the education and training provided by subcontractors, including visits at short or no notice and face-to-face interviews with staff and students. These checks include whether the students exist and are eligible, and involve direct observation of initial guidance, assessment and delivery of learning programmes.
- Ensures that all of the subcontractor's delivery meets the Education and Skills Funding Agency's Funding Rules.

4. The Training Initiative Group Ltd.'s Commitment to Quality Improvement:

The Training Initiative Group Ltd.:

- Actively works with subcontractors to improve the quality of the teaching, learning and assessment they deliver and thereby improve the overall quality of teaching, learning and assessment for all College students.
- Undertakes observations and reviews on all aspects of teaching, learning and assessment including information, advice and guidance, progress reviews and assessment.

- Provides timely and meaningful feedback to both subcontractor and delivery staff and observations are incorporated into The Training Initiative Group Ltd. moderation and standardisation process, in order that improvement actions impact both internal and subcontractor quality
- Carries out learner voice surveys to gather feedback from students.
- Supports subcontractors to implement effective policies and procedures relating to teaching and learning including assessment and verification policies and procedures.
- Supports subcontractors to develop an effective Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) and will incorporate subcontractors SARs and QIPs into the whole Training Initiative Group Ltd. SAR.

6. Supply Chain Fees

The Training Initiative Group Ltd. will retain a minimum 'Management Fee' of 5% and "Services Charge" of 15% of funding in 2019/20, dependent on funding stream and the level of support required. This fee is calculated against the assessment of risk, calculated from the due diligence process, and level of management intervention associated with the subcontractor.

The Management Fee and Service Charge is calculated based on the level of resources required: to manage effectively the individual subcontractor relationship; to ensure funding returns and requirements are met and to ensure that the high quality of delivery to students is maintained and that any risk to The Training Initiative Group Ltd. and the Education and Skills Funding Agency is mitigated.

The fee covers the following specific costs incurred by The Training Initiative Group Ltd. and include a Services Fee 15% and Management Fee 5% of gross contract value.

Services provided by The Training Initiative Group Ltd.:

- Course set-up in College system (1%)
- Up to 100% compliance checks (4%)
- 100% data entry on to college student record system (5%)
- Preparation of funding submissions (2%)
- Access to the whole College CPD programme that includes opportunities for subcontractor's staff to develop new course materials, improve teaching and learning practice and refresh knowledge of safeguarding, EDI, funding rules and audit compliance (2%)
- Training for the observation of Teaching, Learning and Assessment to enable partner's staff to undertake graded observations following The Training Initiative Group Ltd. policies and procedures (1%)

Management services provided by The Training Initiative Group Ltd.:

- Preparation of all subcontract documentation and processes (1%)
- A dedicated Lead Contract Officer that is available to provide support and guidance and undertake site visits (1%)
- Additional support required in for compliance issues (1%)
- Quality framework, including support for improving the quality of teaching, learning and assessment (as detailed below in section 6) (1%)
- Help to complete a Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) that feeds into the wider college SAR and identifies areas of effective practice and areas of improvement (1%)

6. Payment Terms:

Payment terms will be discussed and agreed between The Training Initiative Group Ltd. and a sub-contractor. A payment schedule will form part of each contract.

Payments are made on a monthly basis in arrears following validation of activity through data agency funding returns

Payments are made based on the payments confirmed by the Funder less the supply chain fee agreed as part of contract negotiations.

Payments for Achievements will only be made on receipt of proof from the Awarding Body.

The Training Initiative Group Ltd. will supply Purchase Order numbers to the sub-contractor. The sub-contractor will raise invoices according to the agreed payment schedule, to be sent directly to Finance (Accounts Payable) for inclusion on The Training Initiative Group Ltd.'s purchase invoice register. They will be checked against the contract's KPIs and approved for payment by the assigned Training Initiative Group Ltd.

Contract Manager. Approval for payment will be made only if the invoice is within the terms of the payment schedule and the contract KPIs have been met.

8. Communication:

The Sub-contracting Supply Chain Fees and Charges Policy will be routinely communicated to and discussed with current subcontractors as part of the contract review process. The sub-contracting Supply Chain Fees and Charges Policy will be communicated to potential subcontractors as part of the procurement process.

9. Contingency Plans

A contingency plan safeguards learners in the event that a Partner withdraws from the arrangement or goes into liquidation or administration. Please see Appendix two.

10. Policy Review:

The Sub-contracting Supply Chain Fees and Charges Policy will be reviewed annually and once approved will be publicised and implemented.

The Training Initiative Group Ltd.

SUB-CONTRACTOR DUE DILIGENCE AND COMPLIANCE

Section 1 – Provider Information

1. Provider Name & Address		Assessment TTI Use only
2. Companies House Number		
3. Telephone		
4. Name of Main Contact		
5. Telephone		
6. UKPRN Number		
7. ROTO and/or ROATP status		
8. Date of last OFSTED inspection and Overall Grade (if applicable)		
9. Delivery Location Postcode		
10. Please provide your mission statement or code of conduct that sets out the values of the company and the behaviour it expects from all involved in the conduct of its business.		
11. Please confirm that you have access to and utilise current Government Agencies Funding Guidance Documents.	Yes/No	
12. Please upload copies of your Enrolment Form, ILP and Learner Review Document.		

Section 2 – Financial Information

1. Please give details of any Government funded contracts (inc Education and Skills Funding Agency) that have been terminated and the reasons for the termination.					
Contract Name	Contact Name/No/Email	Length of Relationship	Scope of Services	Reason that relationship was ended	Assessment TTI Use only
2. Please submit copies of your financial accounts for the last 2 years.					
3. Please provide a copy of your current/valid Employer Liability (min £5m Cover).					
4. Please provide a copy of your Professional Indemnity.					
5. Please provide a copy of your current/valid Public Liability (min £5m cover)					

Section 3 – HR Policies and Practices.

1. Compliance with current Employment Legislation including Equality, diversity and inclusion.		Assessment TTI Use only
2. Compliance with current legislation on Modern Slavery		
3. Staff training and development		
4. Performance management and capability		
5. Remote working		
6. Whistleblowing		
7. Raising a grievance		
8. Fraud prevention & anti-corruption		

Section 4 – Data and ICT Security

1. Do you have an Information Security Management System? Please supply details		Assessment TTI Use Only
2. Please confirm that you comply with the required “Data Protection Legislation” including the notification of the Information Commissioner’s Office that you process personal information, the Freedom of Information Act 2000, the environment Information Regulations 2004 and the General Data Protection Regulation (Regulation (EU) 2016/679), all as amended from time to time, and that you have the appropriate data protection and security systems in place to exchange personal data and information with The Training Initiative Group. Please include your Data Protection Policy.		
3. How do you ensure staff awareness of data security measures?		
4. How do you ensure that all personnel understand their obligations when handling data including the General Data Protection Regulation 2016?		
5. Who is your nominated individual responsible for embedding Information Security within your organisation?		

6. Please provide your Data protection Registration Number and expiry date	Reg No: Expiry Date:	
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Section 5 – Health and Safety

1. Please upload your Health and Safety Policy		Assessment TTI Use Only
2. Please provide details of your staff(s) qualifications and competencies in relation to Health and Safety e.g. NEBOSH and the name for the individual who has overall responsibility for Health and Safety within your organisation.		
3. Please confirm that you undertake Health and Safety/Risk Assessment checklists of delivery settings. Please upload a template risk assessment form.		
4. Please provide details of any accidents or incidents covered by the RIDDOR regulations in the last 3 years.		
5. Has your organisation ever received any Enforcement Notices or Improvement Notices or been subject to prosecution by the HSE?	Yes/No	

Section 6 – Quality Assurance

1. Latest learner satisfaction survey results/report.		Assessment TTI Use Only
2. Latest employer satisfaction survey results/report		
3. Achievements rates for 19-20.		
4. Current Self-Assessment Report (SAR) and Quality Improvement Plan (QIP) or Business Plan		
5. Latest OFSTED report (If applicable)		
6. Name of Awarding Body and upload most recent Annual Centre Quality Review.		
7. Observation Policy/Framework		
8. Please list any quality kitemarks/accreditation achieved along with associated dates		

Section 7 – Capacity to Deliver

1. Please state the qualifications that relevant delivery staff hold.			Assessment TTI Use Only
2. Please list the qualifications and the Learning Aim Reference number that you propose to deliver as part of the partnership with The Training Initiative Group Ltd.			
Awarding Body	Name of Qualification	Learning Aim Reference Number	

3. Please upload a copy of your Internal Verification policy/procedures.		
4. Please upload confirmation of Centre Approval status for the delivery of your provision.		
5. Please upload evidence of any Direct Claims Status.		
6. Please provide copies of your latest External Verifier Reports.		
7. Please upload a copy of your Initial Assessment Policy/Procedures		
8. Please upload a copy of your Learner Induction Policy/Procedures		
9. Please upload a copy of your Learner Review Policy/Procedures		
10. Please upload a copy of your Follow up/Learner Withdrawal Policy/Procedures		

Section 8 – Safeguarding

1. Safer Recruitment policy and procedure		Assessment TTI Use Only
2. Equality, diversity and inclusion policy and procedure		
3. Child protection/Vulnerable Adult/Safeguarding policy and procedure.		
4. PREVENT		
5. Anti-harassment policy and procedure		
6. E-safety policy/handbook		
7. Who is your nominated individual responsible for safeguarding staff and learners?		
8. How do staff and students understand safeguarding issues including acceptable behaviour?		
9. How do you actively promote British Values as part of your delivery?		

Section 9 – Contract Performance Management and Monitoring

1. Please describe your contract performance management system and how and when you check the effectiveness of your performance?		Assessment TTI Use Only
2. What process is in place to collect and provide data to The Training Initiative Group Ltd.?		
3. Please upload a copy of your employer engagement strategy		
4. Please upload a copy of your complaints policy		
5. How do you monitor learner progress on the apprenticeship and record their learning journey?		
6. How do you monitor the effectiveness of the courses including the Learner Survey process?		

Section 10 – Governance and Audit

1. What management arrangements are in place, including Board structures, audit regime and governance		Assessment TTI Use Only
2. Please detail how you conduct internal audit activity.		

Section 11 – References

Please supply two references to support your application. Annex A will be issued to the references listed by the college.

Reference 1

Name	
Role	
Organisation	
Contact Number	
Contact Email	
Contact Address	
Capacity Known to Applicant	

Reference 2

Name	
Role	
Organisation	
Contact Number	
Contact Email	
Contact Address	
Capacity Known to Applicant	

I confirm that the information and supporting evidence submitted to The Training Initiative Group Ltd. to be true and accurate.

Signed:

Name:

Position:

Date:

Please return your completed form and supporting evidence to Chris@thetraininginitiative.co.uk

TTI USE ONLY	
Companies House Check	
Financial/Credit Score	
Judgement	
Senior Management Team authorisation – attach evidence	
Date of SMT authorisation	
Propose Activities and Associated Values – if approved	